

HOUSE BILL REPORT

SB 5120

As Reported By House Committee On:

Appropriations

Title: An act relating to death benefits under the law enforcement officers' and fire fighters' retirement system.

Brief Description: Providing death benefits under LEOFF.

Sponsors: Senators Long, Newhouse, Bauer, Winsley, Loveland, Fraser and Haugen.

Brief History:

Committee Activity:

Appropriations: 3/28/95, 3/29/95 [DPA].

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended. Signed by 29 members: Representatives Silver, Chairman; Huff, Vice Chairman; Pelesky, Vice Chairman; Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Beeksma; Brumsickle; Carlson; Chappell; Cooke; Crouse; Dellwo; G. Fisher; Foreman; Grant; Hargrove; Hickel; Jacobsen; Lambert; Lisk; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Talcott; Thibaudeau and Wolfe.

Staff: Dan Chang (786-7191).

Background: Currently, LEOFF II members with 10 or more years of service who leave employment before reaching retirement age or retire under disability, may choose an annuity benefit at age 55 or can request a 150 percent refund of their accumulated contributions.

In the case of the death of a member with 10 or more years of service, the member's surviving beneficiary may elect to receive an annuity or a refund of the member's accumulated retirement contributions; however, the beneficiary may only receive 100 percent of the accumulated contribution.

A LEOFF Plan II member who leaves employment and withdraws contributions and later rejoins active service may replace any withdrawn contributions plus interest within 5 years. After the 5-year deadline, members can restore withdrawn contributions at the full actuarial value of the increased benefit.

Summary of Amended Bill: The death benefits provisions are changed to allow a surviving spouse or eligible children of a LEOFF member who dies with either 10 years of service or retirement eligibility, to receive a 150 percent refund on accumulated contributions. To qualify for the increased refund, the death of the member must have occurred on or after July 25, 1993.

Any accumulated contributions attributable to restorations made after 5 years will be refunded at 100 percent.

Amended Bill Compared to Original Bill: The amended bill makes a technical correction to a statutory citation.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: This bill would make a needed correction to a law passed 2 years ago.

Testimony Against: None.

Testified: Senator Jeanine Long, prime sponsor.